

" To understand the software more clearly,
let us try some exercises on the spreadsheet. "

Figure 0

| Manage | | Display | | RATIO | | Activity | |
|----------------------|------|---------------------|---------|---------------|---------|------------------|---------|
| x1-2/200y | | x2/200y | | x1-2/200y | | x1-2/200y | |
| SALE @day \$ | 0 | Sale, monthly | 0 | Current | #DIV/0! | Fixed asst Totr | #DIV/0! |
| Gross Profit % | 0.00 | COS | 0 | Quick | #DIV/0! | Tl asst Totr | #DIV/0! |
| Working Days | 0 | Net Income | #DIV/0! | Leverage | #DIV/0! | Profitability % | % |
| AR on Sale % | 0 | AR | 0 | Debt | #DIV/0! | Gross Prft Mgn | #DIV/0! |
| INV MARGIN (WVCOS) | 0.00 | Inventory | 0 | Debt-Eqly | #DIV/0! | Net Cptly Mgn | #DIV/0! |
| Credit INV % | 0 | CASH | #DIV/0! | Time int earn | #DIV/0! | Prft Mgn On Sale | #DIV/0! |
| Rr Salary \$ | 0 | Commission | 0 | | | Rtn On Tl asst | #DIV/0! |
| Technician \$ | 0 | Income Taxes | #DIV/0! | | | Rtn on Eqly | #DIV/0! |
| Commission % | 0.00 | | | | | | |
| Office Supply \$ | 0 | Interest* | 0 | | | | |
| Marketing \$ | 0 | Capital Pymt | 0 | | | | |
| Miscellaneous \$ | 0 | Interest* | 0 | | | | |
| VA F rate % | 0 | Capital Pymt | 0 | | | | |
| Short term debt \$ | 0 | Interest* | 0 | | | | |
| I rate % | 0 | Capital Pymt | 0 | | | | |
| Short term debt Yr | 0 | Interest* | 0 | | | | |
| Long term debt \$ | 0 | Capital Pymt | 0 | | | | |
| I rate % | 0 | <u>tl asst</u> | #DIV/0! | | | | |
| Long term debt Yr | 0 | <u>tl liblty+oe</u> | #DIV/0! | | | | |
| Owner Equity \$ | 0 | | | | | | |
| Furniture & Decor \$ | 0 | | | | | | |
| Furniture & Decor Yr | 0 | | | | | | |
| Bldg Rentals \$ | 0 | | | | | | |
| Bldg Rentals yr | 0 | | | | | | |

| BALANCE SHEET | | | |
|-----------------------------|---------------|----------------|-----------|
| Monthly, ended x1-2/200y | | | |
| ASSET | | x2/200y | x1/200y |
| Current assets: | | | |
| Cash | | #DIV/0! | 0 |
| Account Receivable | AR on Sale % | 0 | 0 |
| Inventory | InvCOS* | 0.0 | 0 |
| Bldg Rentals, Net | Mth@ \$ | #DIV/0! | 0 |
| Rental Depreciation | | | |
| Furniture & Decor, Net | Mth@ \$ | #DIV/0! | 0 |
| Acc Depreciation | | | |
| TOTAL | | #DIV/0! | 0. |
| LIABILITY | | | |
| Current Liability: | | | |
| Credit Inventory, AP | CrdInv** % | 0 | 0 |
| Account Payable | Rr Salary | 0 | 0 |
| | Technician | 0 | 0 |
| | Commission | 0 | 0 |
| | Office Supply | 0 | 0 |
| | Marketing | 0 | 0 |
| | Income Tax | #DIV/0! | 0 |
| Other Liability | Capital Pymt | 0 | 0 |
| | Interest ST | 0 | 0 |
| | Interest LT | 0 | 0 |
| Short term debt | | 0 | 0 |
| Longterm Liability: | | | |
| Long term debt | | 0 | 0 |
| Shareholder & Owner Equity: | | | |
| Owner Equity | | 0 | 0 |
| Retain Earning | | #DIV/0! | 0 |
| TOTAL | | #DIV/0! | 0. |
| INCOME STATEMENT | | | |
| Monthly, ended x1-2/200y | | | |
| | | Bht | %age |
| Sale | @ \$* | 0 | #DIV/0! |
| Cost of Sale | ek dya* | 0 | #DIV/0! |
| Gross Profit | COS* | 0 | #DIV/0! |
| Operation Expenses | prof mgn* | 0 | #DIV/0! |
| | Rr Salary | 0 | #DIV/0! |
| | Technician* | 0 | #DIV/0! |

" This is the blank sheet, figure 0. "

" Then, the financial report comes out immediately. "

Figure 1 &

Figure 2

| Manage | | Display | | BALD | | Activity | |
|----------------------|---------|------------------------|----------------|---------------|-----------------------|----------|--|
| +1+200y | | +200y | | +1+200y | | +1+200y | |
| SALE \$/mo | 8,400 | Sale, monthly | 192000 | Activity | ind Tot | 6.4 | |
| Gross Profit % | 43.00 | COS | 111360 | Equity | ind Tot | 6.4 | |
| Working Days | 30 | Net Income | 7266 | Current | 1.8 Fixed asset Turn | 1.8 | |
| AR on Sale % | 30 | AVC | 19200 | Quick | 1.8 To asset Turn | 0.2 | |
| RVY MARGIN (RVY/COS) | 1.75 | Inventory | 19800 | Leverage | 0.6 Gross Debt Mgn | 52.2 | |
| Credit RVY % | 6 | CASH | 10671 | 180/200 Debt | 0.6 Net Caply Mgn | 22.2 | |
| Rx Salary \$ | 0 | Commission | 0 | Debt-Eqy | 0.6 P-Int Mgn On Sale | 22.2 | |
| Technician \$ | 0 | Commission % | 0 | Time int earn | 0.6 On Tr asset | 11.8 | |
| Commission % | 0.00 | Income Taxes | 0 | Ret on Eqy | 22.2 | | |
| Office Supply \$ | 0 | | | | | | |
| Marketing \$ | 0 | | | | | | |
| Miscellaneous \$ | 0 | | | | | | |
| VAT rate % | 0 | Interest* | 83 | | | | |
| Short term debt \$ | 50,000 | Capital Pymt | 0 | | | | |
| I rate % | 2 | | | | | | |
| Long term debt \$ | 250,000 | Interest* | 1146 | 83 | | | |
| I rate % | 8.3 | Capital Pymt | 0 | 0 | | | |
| Owner Equity \$ | 250,000 | tl asset | 637,606 | | | | |
| Furniture & Decor \$ | 125,000 | tl liability+oe | 637,606 | | | | |
| Furniture & Decor Yr | 125,000 | | | | | | |
| Bldg Rental \$ | 125,000 | | | | | | |
| Bldg Rental yr | 3 | | | | | | |

| BALANCE SHEET | | +200y | | +1200y | |
|--|-------------------|---------|----------------|----------------|-------|
| Monthly, ended +1+200y | | | | | |
| ASSET | | | | | |
| Current assets: | | | | | |
| Cash | | 192,471 | 105,120 | | |
| Account Receivable | AR on Sale % | 30 | 19,200 | 0 | |
| Inventory | inv/COS | 3.8 | 194,680 | 194,680 | |
| Bldg Rental, Net | Inv@ \$ | 3622 | 121,520 | 125,000 | |
| Rental Depreciation | | | | | |
| Fixed assets | | | | | |
| Furniture & Decor, Net | Inv@ \$ | 3622 | 121,520 | 125,000 | |
| Acc Depreciation | | | | | |
| TOTAL | | | 637,606 | 550,000 | |
| LIABILITY | | | | | |
| Current Liability: | | | | | |
| Credit Inventory, AP | Cap/Invnt % | 6 | 8,744 | 0 | |
| Account Payable | Technician | 0 | 0 | 0 | |
| | Commission | 0 | 0 | 0 | |
| | Office Supply | 0 | 0 | 0 | |
| | Marketing | 0 | 0 | 0 | |
| | Income Tax | 0 | 0 | 0 | |
| Other Liability | Capital Pymt | ST | 4,167 | 0 | |
| | Interest | ST | 62 | 0 | |
| | | LT | 1166 | 0 | |
| Short term debt | | | 30,000 | 30,000 | |
| Longterm Liability: | | | 250,000 | 250,000 | |
| Long term debt | | | 250,000 | 250,000 | |
| Shareholder & Owner Equity: | | | | | |
| Owner Equity | | | 250,000 | 250,000 | |
| Retain Earning | | | 72,466 | 0 | |
| TOTAL | | | 637,606 | 550,000 | |
| INCOME STATEMENT | | | | | |
| Monthly, ended +1+200y | | | | | |
| | | | 840 | 192000 | 190.0 |
| Sale | Inv@ \$ | 6400 | 192000 | 190.0 | |
| | Inv@ \$ | 30 | 19,200 | 0 | |
| | COS | 0.55 | 111360 | 58.0 | |
| Cost of Sale | inv/avg | 6.42 | 194680 | 42.0 | |
| Gross Profit | | | 80620 | 42.0 | |
| Operation Expenses | | | | | |
| | Rx Salary | | 0 | 0.0 | |
| | Technician | | 0 | 0.0 | |
| | Commission % | | 0 | 0.0 | |
| | Office Supply | | 0 | 0.0 | |
| | Marketing | | 0 | 0.0 | |
| | Rental | | 3622 | 1.8 | |
| | Furniture & decor | | 3622 | 1.8 | |
| | Interest | ST | 2 | 0.0 | |
| | Interest | LT | 6 | 0.0 | |
| | Minority | LT | 6 | 0.0 | |
| NET* | | | 221 | 121.0 | 61.0 |
| Income Taxes | VAT rate % | 28 | 1166 | 194 | 1.8 |
| Net Income | | | 1044 | 101.6 | 4.2 |

| CASH FLOW | | +200y | | +1200y | |
|---------------------------|------------|-------|-------|--------|--|
| Monthly, ended +1+200y | | | | | |
| Cash Flow from operation: | | | | | |
| | | | 19000 | 0 | |
| | Rx Salary | | 19000 | 0 | |
| | Technician | | 0 | 0 | |
| | Commission | | 2000 | 0 | |

| Manage | | Display | | BALD | | Activity | |
|----------------------|---------|------------------------|----------------|---------------|-----------------------|----------|--|
| +1+200y | | +200y | | +1+200y | | +1+200y | |
| SALE \$/mo | 8,400 | Sale, monthly | 192000 | Activity | ind Tot | 6.4 | |
| Gross Profit % | 43.00 | COS | 111360 | Equity | ind Tot | 6.4 | |
| Working Days | 30 | Net Income | 7266 | Current | 1.8 Fixed asset Turn | 1.8 | |
| AR on Sale % | 30 | AVC | 19200 | Quick | 1.8 To asset Turn | 0.2 | |
| RVY MARGIN (RVY/COS) | 1.75 | Inventory | 19800 | Leverage | 0.6 Gross Debt Mgn | 52.2 | |
| Credit RVY % | 6 | CASH | 10671 | 180/200 Debt | 0.6 Net Caply Mgn | 22.2 | |
| Rx Salary \$ | 0 | Commission | 0 | Debt-Eqy | 0.6 P-Int Mgn On Sale | 22.2 | |
| Technician \$ | 0 | Commission % | 0 | Time int earn | 0.6 On Tr asset | 11.8 | |
| Commission % | 0.00 | Income Taxes | 0 | Ret on Eqy | 22.2 | | |
| Office Supply \$ | 0 | | | | | | |
| Marketing \$ | 0 | | | | | | |
| Miscellaneous \$ | 0 | | | | | | |
| VAT rate % | 0 | Interest* | 126 | | | | |
| Short term debt \$ | 50,000 | Capital Pymt | 0 | | | | |
| I rate % | 2 | | | | | | |
| Long term debt \$ | 250,000 | Interest* | 1146 | 126 | | | |
| I rate % | 8.3 | Capital Pymt | 0 | 0 | | | |
| Owner Equity \$ | 250,000 | tl asset | 625,606 | | | | |
| Furniture & Decor \$ | 125,000 | tl liability+oe | 625,606 | | | | |
| Furniture & Decor Yr | 125,000 | | | | | | |
| Bldg Rental \$ | 125,000 | | | | | | |
| Bldg Rental yr | 3 | | | | | | |

| BALANCE SHEET | | +200y | | +1200y | |
|--|-------------------|---------|----------------|----------------|-------|
| Monthly, ended +1+200y | | | | | |
| ASSET | | | | | |
| Current assets: | | | | | |
| Cash | | 192,471 | 105,120 | | |
| Account Receivable | AR on Sale % | 30 | 19,200 | 0 | |
| Inventory | inv/COS | 3.8 | 194,680 | 194,680 | |
| Bldg Rental, Net | Inv@ \$ | 3622 | 121,520 | 125,000 | |
| Rental Depreciation | | | | | |
| Fixed assets | | | | | |
| Furniture & Decor, Net | Inv@ \$ | 3622 | 121,520 | 125,000 | |
| Acc Depreciation | | | | | |
| TOTAL | | | 625,606 | 550,000 | |
| LIABILITY | | | | | |
| Current Liability: | | | | | |
| Credit Inventory, AP | Cap/Invnt % | 6 | 8,744 | 0 | |
| Account Payable | Technician | 0 | 0 | 0 | |
| | Commission | 0 | 0 | 0 | |
| | Office Supply | 0 | 0 | 0 | |
| | Marketing | 0 | 0 | 0 | |
| | Income Tax | 0 | 0 | 0 | |
| Other Liability | Capital Pymt | ST | 4,167 | 0 | |
| | Interest | ST | 62 | 0 | |
| | | LT | 1166 | 0 | |
| Short term debt | | | 30,000 | 30,000 | |
| Longterm Liability: | | | 250,000 | 250,000 | |
| Long term debt | | | 250,000 | 250,000 | |
| Shareholder & Owner Equity: | | | | | |
| Owner Equity | | | 250,000 | 250,000 | |
| Retain Earning | | | 72,466 | 0 | |
| TOTAL | | | 625,606 | 550,000 | |
| INCOME STATEMENT | | | | | |
| Monthly, ended +1+200y | | | | | |
| | | | 840 | 192000 | 190.0 |
| Sale | Inv@ \$ | 6400 | 192000 | 190.0 | |
| | Inv@ \$ | 30 | 19,200 | 0 | |
| | COS | 0.55 | 111360 | 58.0 | |
| Cost of Sale | inv/avg | 6.42 | 194680 | 42.0 | |
| Gross Profit | | | 80620 | 42.0 | |
| Operation Expenses | | | | | |
| | Rx Salary | | 0 | 0.0 | |
| | Technician | | 0 | 0.0 | |
| | Commission % | | 0 | 0.0 | |
| | Office Supply | | 0 | 0.0 | |
| | Marketing | | 0 | 0.0 | |
| | Rental | | 3622 | 1.8 | |
| | Furniture & decor | | 3622 | 1.8 | |
| | Interest | ST | 2 | 0.0 | |
| | Interest | LT | 6 | 0.0 | |
| | Minority | LT | 6 | 0.0 | |
| NET* | | | 221 | 121.0 | 61.0 |
| Income Taxes | VAT rate % | 28 | 1166 | 194 | 1.8 |
| Net Income | | | 1044 | 101.6 | 4.2 |

| CASH FLOW | | +200y | | +1200y | |
|---------------------------|------------|-------|-------|--------|--|
| Monthly, ended +1+200y | | | | | |
| Cash Flow from operation: | | | | | |
| | | | 19000 | 0 | |
| | Rx Salary | | 19000 | 0 | |
| | Technician | | 0 | 0 | |
| | Commission | | 2000 | 0 | |

" The **Display** area shows important key figures of the financial report. "

| Manage | | Display | | BALTO | | Activity | |
|----------------------|------------|---------------------|---------------|---------------|-----------------------|-----------------|------------|
| | x1->2/200y | | x2/200y | | x1->2/200y | | x1->2/200y |
| SALE @day \$ | 6.400 | Sale, monthly \$ | 192000 | Liquidity | Invl Towr: | | 0.6 |
| Gross Profit % | 42.00 | COS | 117360 | Current: | 1.4 Fixed-asset Towr: | | 1.6 |
| Working Days | 30 | Net Income | 8111 | Quick: | 0.8 Trl asst Towr: | | 0.3 |
| AR on Sale % | 10 | AR | 19200 | Leverage | Profitability % | | 3% |
| INV MARGIN (INV/COS) | 1.75 | Inventory | 194880 | 105120 Debt: | 0.6 Gross Prft Edgn | | 42.0 |
| Credit RV % | 5 | CASH | 168471 | Time Int eam: | 0.0 Net Cptg Mgn | | 5.9 |
| Rr Salary \$ | 12,000 | Commission | 20160 | | 9.9 Prft Mgn On Sale | | 4.2 |
| Technician \$ | 7,000 | | | | Rtm On Trl asst | | 1.5 |
| Commissn % | 10.50 | Income Taxes | 3154 | | Rtm on Eqty | | 3.1 |
| Office Supply" \$ | 8,000 | | | | | | |
| Marketing \$ | 2,000 | Interest* | 125 | | | | |
| Miscellaneous \$ | 12,000 | Capital Pymt | 0 | | | | |
| Income Tax % | 28 | Interest* | 1146 | 125 | | | |
| Short term debt \$ | 50,000 | Capital Pymt | 0 | 0 | | | |
| I rate % | 3 | ttl asst | 625606 | | | | |
| Short term debt Yr | 1 | ttl lblty+oe | 625606 | | | | |
| Long term debt \$ | 250,000 | | | | | | |
| I rate % | 5.5 | | | | | | |
| Long term debt Yr | 5 | | | | | | |
| Owner Equity \$ | 250,000 | | | | | | |
| Furniture & Decor \$ | 125,000 | | | | | | |
| Furniture & Decor Yr | 3 | | | | | | |
| Bldg Rentals \$ | 125,000 | | | | | | |
| Bldg Rentals yr | 3 | | | | | | |

| BALANCE SHEET | | | |
|---------------------------|--------------|----------------|----------------|
| Monthly, ended x1-2/200y | | | |
| ASSET | | x2/200y | x1/200y |
| Current assets: | | | |
| Cash | | 168,471 | 105,120 |
| Account Receivable | AR on Sale % | 19,200 | 0 |
| Inventory | invdCOS* | 194,880 | 194,880 |
| Bldg Rentals, Net | Mth@ \$ | 121,528 | 125,000 |
| Rental Depreciation | | | |
| Fixed assets: | | | |
| Furniture & Decor, Net | Mth@ \$ | 121,528 | 125,000 |
| Acc Depreciation | | | |
| TOTAL | | 625,606 | 550,000 |
| LIABILITY | | | |
| Current Liability: | | | |
| Credit Inventor. AP | Crdfnvt** % | 5 | 9,744 |
| | | | 0 |

" Here are some applications of this software. "

" To find the break even point of this business setting, we change variables until the net income becomes zero. "

Figure 2

| Manage | v1+0200) | Display | +0200) | Activity | v1+0200) |
|-------------------|----------|--------------|---------|---------------|----------|
| S&L: Gross | 6,400 | S&L: monthly | 62,880 | Activity | |
| Gross Profit % | 62.00 | CDS | 111,360 | Equity | 8.8 |
| Marketing Exp | 20 | Net Income | 8,111 | Cost | 1.8 |
| AB on Sale % | 10 | AB | 19,200 | Quik | 8.8 |
| AVI (MCCO) (MCCO) | 1.75 | Inventory | 24,000 | Lverage | 6.3 |
| Credit BV % | 3 | CASH | 16,847 | MCCO (MCCO) | 62.0 |
| Ry Salary | 13,000 | Commission | 20,160 | Time Int earn | 5.3 |
| Technician | 7,000 | Income Taxes | 3,154 | Debt Cap | 6.2 |
| Commission % | 10.00 | Income Taxes | 3,154 | Ret On Eq | 3.1 |
| Office Supply | 8,000 | Income Tax | 3,154 | Ret on Eq | 3.1 |
| Marketing | 2,000 | Interest* | 126 | | |
| Miscellaneous | 15,000 | Capital Pymt | 0 | | |
| Income Tax % | 20 | Interest* | 126 | | |
| Short term debt | 50,000 | Capital Pymt | 0 | | |
| I rate % | 12 | Interest* | 1140 | 126 | |
| Long term debt | 250,000 | Capital Pymt | 0 | | |
| I rate % | 12 | III asst | 625,606 | | |
| Long term debt | 0 | III asst | 625,606 | | |
| Owner Equity | 250,000 | III asst | 625,606 | | |
| Furniture & Decor | 120,000 | | | | |
| Furniture & Decor | 10,000 | | | | |
| Body Reman | 10,000 | | | | |
| Body Reman | 0 | | | | |

| BALANCE SHEET | | Monthly ended v1+0200) | +0200) | +1200) |
|-----------------------------|---------------|------------------------|----------------|----------------|
| ASSET | | | | |
| Current assets: | | | | |
| Cash | | | 168,271 | 105,120 |
| Account Receivable | AB on Sale % | 10 | 19,200 | 0 |
| Inventory | InvCOO* | 1.8 | 194,000 | 194,000 |
| Body Reman | | | | |
| Prepaid Expenses | MP@ \$ | 3022 | 121,530 | 120,800 |
| Fixed assets: | | | | |
| Furniture & Decor | MP@ \$ | 3022 | 121,530 | 120,800 |
| Acc Depreciation | | | | |
| TOTAL | | | 625,606 | 550,000 |
| LIABILITY | | | | |
| Current Liability: | | | | |
| Credit Inven | Debtoun* | 6 | 8,744 | 0 |
| Account Payable | Ry Salary | | 12,000 | 0 |
| | Technician | | 7,000 | 0 |
| | Commission | | 20,160 | 0 |
| | Office Supply | | 8,000 | 0 |
| | Marketing | | 2,000 | 0 |
| | Income Tax | | 3,154 | 0 |
| | Capital Pymt | | | |
| Other Liability | Interest | 0.7 | 4,167 | 0 |
| | Interest | 0.7 | 126 | 0 |
| Short term debt | Interest | 1.7 | 1,271 | 0 |
| | | | 30,000 | 30,000 |
| Long term debt | | | 250,000 | 250,000 |
| Shareholder & Owner Equity: | | | 250,000 | 250,000 |
| Owner Equity | | | 6,111 | 0 |
| Ret Earning | | | 625,606 | 550,000 |
| TOTAL | | | 625,606 | 550,000 |
| INCOME STATEMENT | | | | |
| Monthly ended v1+0200) | | | | |
| Sale | MP \$ | 6400 | 192000 | 180.0 |
| Cost of Sale | InvCOO* | 0.20 | 111,360 | 62.0 |
| Gross Profit | MP \$ | 6400 | 80,640 | 42.0 |
| Operation Expenses: | | | | |
| Ry Salary | | 13,000 | 13,000 | 6.5 |
| Technician | | 7,000 | 7,000 | 3.8 |
| Commission % | | 30.2 | 20,160 | 10.5 |
| Office Supply | | 8,000 | 8,000 | 4.2 |
| Marketing | | 2,000 | 2,000 | 1.0 |
| Income Tax | | 3,154 | 3,154 | 1.6 |
| Interest | | 126 | 126 | 0.1 |
| Furniture & Decor | | 10,000 | 10,000 | 5.2 |
| Interest | | 1,271 | 1,271 | 0.7 |
| EBIT* | | 1,000 | 89,076 | 46.8 |
| Income Taxes | | 3,154 | 3,154 | 1.6 |
| Net Income | | 8,111 | 81,111 | 42.2 |
| CASHFLOW | | | | |
| Monthly ended v1+0200) | | | | |
| Cash Flow from operations: | | | | |

" Reduce Daily Sale to US\$ 5,000, net income is -1,415.
 Input Daily Sale to US\$ 5,300, net income is 626.
 Input Daily Sale to US\$ 5,200, net income is -54.
 Input Daily Sale to US\$ 5,208, net income is 0. "

" This business setting shows Break Even Point when Daily Sale is US\$ 5,208. "

" Back to the original figure 2 where daily sale is US\$ 6,400. "

" If you want to redecorate the store, to make it more comfortable providing better atmosphere and working condition, it would cost you the additional US\$ 5,000 of Furniture and Décor and US\$ 500 for Office Supply. "

" What is the new daily sale that would cover these expenses of changes at par where net income is US\$ 8,111? "

Figure 2

| Manage | | Display | | BASIS | |
|----------------------|---------|---------|---------|-----------|------------------|
| v1<2000 | v1<2000 | v1<2000 | v1<2000 | v1<2000 | v1<2000 |
| SALE (daily) \$ | 6,400 | 10,000 | 10,000 | Activity | 6.4 |
| Gross Profit % | 42.80 | 42.80 | 42.80 | Inv. Flow | 6.4 |
| Working Days | 30 | 30 | 30 | Current | 6.4 |
| AR on Sale % | 10 | 10 | 10 | 6.4 | Fixed Asset Turn |
| AVG MONTH REV/COST | 1.75 | 1.75 | 1.75 | 6.4 | TR asset Turn |
| Credit Int % | 1.75 | 1.75 | 1.75 | 6.4 | Profitability % |
| R# Salary | 12,000 | 12,000 | 12,000 | 100.00 | 6.4 |
| Technician \$ | 7,000 | 7,000 | 7,000 | 6.4 | Gross P#R Mgn |
| Commission % | 10.50 | 10.50 | 10.50 | 6.4 | Net Chrg Mgn |
| Office Supply* \$ | 8,000 | 8,000 | 8,000 | 6.4 | P#R Mgn On Sale |
| Marketing \$ | 2,000 | 2,000 | 2,000 | 6.4 | Retn On Tr asset |
| Miscellaneous \$ | 12,000 | 12,000 | 12,000 | 6.4 | Retn on Eqty |
| Income Tax % | 20 | 20 | 20 | | |
| Short term debt \$ | 50,000 | 50,000 | 50,000 | | |
| I rate % | 1 | 1 | 1 | | |
| Short term debt Yr | 1 | 1 | 1 | | |
| Long term debt \$ | 250,000 | 250,000 | 250,000 | | |
| I rate % | 8.5 | 8.5 | 8.5 | | |
| Long term debt Yr | 1 | 1 | 1 | | |
| Owner Equity \$ | 250,000 | 250,000 | 250,000 | | |
| Furniture & Decor \$ | 125,000 | 125,000 | 125,000 | | |
| Fixed Assets \$ | 125,000 | 125,000 | 125,000 | | |
| Acc. Depreciation \$ | 0 | 0 | 0 | | |
| Net Assets | | 3154 | | | |
| Net Income | | 8,331 | | | |
| Net Income + Tax | | 7,651 | | | |

| BALANCE SHEET | | v1<2000 | | v1<2000 | |
|---------------------------|--------------|---------|----------------|----------------|--------|
| Monthly ended v1<2000 | | | | | |
| ASSET | | | | | |
| Current assets: | | | | | |
| Cash | | 100,471 | 100,471 | 0 | 0 |
| Account Receivable | AR on Sale % | 30 | 19,200 | 0 | 0 |
| Inventory | Inv/COST | 1.8 | 104,800 | 104,800 | 0 |
| Stk. Retains. Net | MRQ \$ | 3622 | 121,520 | 120,000 | 0 |
| Fixed assets: | | | | | |
| Furniture & Decor. Net | MRQ \$ | 3622 | 121,520 | 120,000 | 0 |
| Acc. Depreciation | | | | | |
| TOTAL | | | 625,506 | 550,000 | |
| LIABILITY | | | | | |
| Current Liability: | | | | | |
| Credit Inven. AP | | 8,344 | 0 | 0 | 0 |
| R# Salary | | 12,000 | 0 | 0 | 0 |
| Technician | | 7,000 | 0 | 0 | 0 |
| Commission | | 20,160 | 0 | 0 | 0 |
| Office Supply | | 8,000 | 0 | 0 | 0 |
| Marketing | | 2,000 | 0 | 0 | 0 |
| Income Tax | | 3,154 | 0 | 0 | 0 |
| Capital Paym | | 0 | 0 | 0 | 0 |
| Other Liability | | 0 | 0 | 0 | 0 |
| Interest | | 0 | 4,167 | 0 | 0 |
| Short term debt | | 50,000 | 1,271 | 0 | 0 |
| Long term debt | | 250,000 | 50,000 | 50,000 | 0 |
| Shareholder/Owner Equity: | | 250,000 | 250,000 | 0 | 0 |
| Owner Equity | | 8,111 | 0 | 0 | 0 |
| Retn Earning | | 0 | 0 | 0 | 0 |
| TOTAL | | | 625,506 | 550,000 | |
| INCOME STATEMENT | | | | | |
| Monthly ended v1<2000 | | | | | |
| Sale | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Cost of Sale | 57.20 | 57.20 | 57.20 | 57.20 | 57.20 |
| Gross Profit | 42.80 | 42.80 | 42.80 | 42.80 | 42.80 |
| Operating Expenses: | | | | | |
| Technician | 10.83 | 10.83 | 10.83 | 10.83 | 10.83 |
| Commission % | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 |
| Office Supply* | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 |
| Marketing | 31.25 | 31.25 | 31.25 | 31.25 | 31.25 |
| Rent | 175.00 | 175.00 | 175.00 | 175.00 | 175.00 |
| Fixed Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interest | 1.27 | 1.27 | 1.27 | 1.27 | 1.27 |
| Income Tax | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Net Income | 8.11 | 8.11 | 8.11 | 8.11 | 8.11 |

" Furniture and Décor change to US\$ 130,000.
Office Supply changes to US\$ 8,500.
The Net Income is then reduced to US\$ 7,651. "

" The original daily sale is US\$ 6,400.
Increase Daily Sale to US\$ 6,500, the Net Income is US\$ 8,331.
Input Daily Sale to US\$ 6,450, the Net Income is US\$ 7,991.
Input Daily Sale to US\$ 6,467.6, the Net Income is US\$ 8,111 at par. "

" The increase of daily sale US\$ 67.6 would cover the expenses of store redecoration. "

" You can say that the benefit of better atmosphere and working condition would require an increase of daily sale US\$ 67.6.

or

The benefit of store redecoration should contribute at least the additional of daily sale US\$ 67.6. "

" You might try to change all variables, up to the real life situations and see the results.

You would find proper business settings for your own business and lifestyle. "

" Now, you can see that VizEdge 1.0 TM is able to answer your questions of management right at once. Upon complete and correct accounting information, you can make decisions more precisely. This is the fundamental of realistic potential business management. "

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